CHAPTER NO. 598

SENATE BILL NO. 2951

By Ramsey

Substituted for: House Bill No. 2904

By McCord

AN ACT To amend the Drycleaner's Environmental Response Act, Tennessee Code Annotated, Title 68, Chapter 217, Part 1.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. Tennessee Code Annotated, Section 68-217-102 is amended by deleting subsection 8 and substituting instead the following:
 - (8) "Drycleaning solvent" or "solvent" means any and all non-aqueous solvents or products used, or intended for use, in the cleaning of garments and other fabrics at a drycleaning facility and includes but is not limited to dense non-aqueous solvents such as chlorinated solvents like perchloroethylene (perc), also known as tetrachloroethylene, and light non-aqueous solvents such as petroleum-based solvents like Stoddard Solvent, and the products into which all such solvents or products degrade;
- SECTION 2. Tennessee Code Annotated, Section 68-217-102 is further amended by adding the following as new, appropriately designated subsections, keeping the subsections in alphabetical order:
 - () "Dense non-aqueous solvent or product" means any chemical or mixture of chemicals other than water-based solvents that is used in the drycleaning of clothes and that does not float on water;
 - () "Light non-aqueous solvent or product" means any chemical or mixture of chemicals other than water-based solvents that is used in the drycleaning of clothes and that floats on water;
- SECTION 3. Tennessee Code Annotated, Section 68-217-105(a) is amended by adding the following as two new, appropriately designated subsections:
 - () The board shall promulgate rules that establish a schedule of amounts of annual registration fees to be paid by drycleaning facilities that is based on the amount of drycleaning solvent purchased. The maximum annual registration fee shall be one thousand five hundred dollars (\$1,500) and this is the amount that shall be paid by abandoned drycleaning facilities.
 - () The board shall promulgate rules that establish three categories of drycleaning facilities based on amount of solvent used requiring payment of the different levels of deductible amounts stated in Section 6 of this act.
- SECTION 4. Tennessee Code Annotated, Section 68-217-106 is amended by deleting subsection (c) and substituting instead the following:
 - (c) The owner or operator of a drycleaning facility or current or prior owner or operator of an abandoned drycleaning facility registered under this

section shall pay to the department an annual registration fee in accordance with the schedule established in the rules of the board.

- SECTION 5. Tennessee Code Annotated, Section 68-217-106 is further amended by deleting subsection (g) and substituting instead the following:
 - (g) In addition to the registration fee required by subdivision (c), there is hereby established a drycleaning solvent surcharge of:
 - (1) Ten dollars (\$10.00) for each gallon of dense non-aqueous solvent or product purchased by a drycleaning facility; and
 - (2) One dollar (\$1.00) for each gallon of light non-aqueous solvent or product purchased by a drycleaning facility.
- SECTION 6. Tennessee Code Annotated, Section 68-217-106 is further amended by deleting subsection (k) and substituting instead the following:
 - (k) Prior to the approval of an expenditure of any funds under this chapter with respect to reimbursement for investigation or remediation at a particular site that has been accepted into the program established by this chapter, each drycleaning facility, abandoned drycleaning facility, in-state wholesale distribution facility, or impacted third party, which files a petition accepted by the board requesting such expenditure, is required to accept responsibility for incurring response costs associated with each request for reimbursement (deductibles). The deductible for each drycleaning facility shall be based on the quantity of solvent purchased. The board shall promulgate rules that establish appropriate categories of facilities to pay the following deductible amounts:
 - (1) Category 1 drycleaning facilities shall be responsible for 5% of each request for reimbursement up to a total amount of five thousand dollars (\$5,000) per site per clean-up;
 - (2) Category 2 drycleaning facilities shall be responsible for 10% of each request for reimbursement up to a total amount of ten thousand dollars (\$10,000) per site per clean-up;
 - (3) Category 3 drycleaning facilities shall be responsible for 15% of each request for reimbursement up to a total amount of fifteen thousand dollars (\$15,000) per site per clean-up;

In-state wholesale distribution facilities shall be responsible for 25% of each request for reimbursement up to a total amount of twenty-five thousand dollars (\$25,000) per site per clean-up. Abandoned drycleaning facilities shall be responsible for 25% of each request for reimbursement up to a total amount of twenty-five thousand dollars (\$25,000) per site per clean-up. An impacted third party's deductible shall be equal to the deductible which would be applicable if the impacted third party owned the drycleaning facility, abandoned drycleaning facility, or in-state wholesale distribution facility which is the source of the release.

SECTION 7. Tennessee Code Annotated, Section 68-217-108 is amended by adding the following as a new, appropriately designated subsection:

() No owner or operator shall receive a registration certificate required under Section 68-217-106(a) until all fees, surcharges and penalties required by this chapter are paid in full.

SECTION 8. Tennessee Code Annotated, Title 68, Chapter 217, Part 1 is amended by adding the following as a new, appropriately designated section:

No state or local permits shall be required for activities that are conducted:

- (a) as part of a response or remedial action overseen by the department and the board pursuant to this chapter;
 - (b) entirely on the site; and
 - (c) in accordance with this part;

provided that such activities meet all standards that would apply if such permits were required.

SECTION 9. Section 3 of this act shall take effect upon becoming a law; Section 4 and Section 6 of this act shall take effect upon the date that the rules provided for in those sections become effective; and all other provisions of this act shall take effect on July 1, 2002, the public welfare requiring it.

PASSED: April 3, 2002

JOHN S. WILDER SPEAKER OF THE SENATE

JIMMY NAIFEH, SPEAKER

APPROVED this 9th day of April 2002